



U.S. Representative



MIKE DOYLE

Senior Citizen Update Summer 1999



Dear Friends,

As the 106th Congress progresses, a number of issues have come to the forefront that are of great importance to senior citizens. I am sending this newsletter to update you and your family on some of these issues. The residents of Pennsylvania's 18th Congressional District include a large percentage of senior citizens so these issues are vitally important to me, and looking out for your interests will always remain at the top of the agenda.

As always, your input is welcome and appreciated. If you have questions about the issues discussed in this newsletter or any other legislative matters, please write to my Washington office. If you are experiencing difficulty with any federal agency such as the Social Security or Veterans Administrations, please contact the district office nearest you. The telephone numbers and addresses of these offices are listed on the back of this newsletter. You can also send an e-mail to rep.doyle@mail.house.gov, and find information or request assistance through the 18th District Web Page at <http://www.house.gov/doyle>.

Thank you for taking the time to read this newsletter. It continues to be an honor and a privilege to serve you, and I look forward to hearing from you.

Sincerely,

Mike

The following are some key issues important to senior citizens that have been passed or are being discussed down in Washington this year. As your representative and a member of the House Older Americans Caucus, issues of concern to those who are now or will soon be senior citizens are always of great importance:

Social Security:

Recently, the bipartisan Social Security and Medicare Board of Trustees released their 1999 Annual Report and it contained good news. Because of our continued tremendous economic growth, the date that Social Security could become financially insolvent was pushed back several years to 2034. This means the system is operating with surpluses and will remain fiscally sound for many years to come. Any changes that Congress may consider would only be designed to bolster the long-term solvency of the system. I believe that the majority of our growing budget surplus should be reserved to strengthen Social Security for the future.

Medicare:

A bipartisan Commission on the Future of Medicare held over a year of hearings without successfully reaching agreement on how to strengthen and secure the Medicare system for future generations. The President has now indicated that he plans to draft his own plan. As this debate continues, I am committed to working for a fair and efficient Medicare system and will oppose any proposals that would undermine this important safety net. I believe it would be wise to dedicate a portion of the budget surplus to the Medicare Trust Fund.

Protections for Nursing Home Residents:

Recently, a number of nursing homes in Florida and elsewhere around the country were found to have evicted their Medicaid-enrolled residents after the homes withdrew from the Medicaid program. Following these reports, I supported passage of the Nursing Home

Resident Protection Act which was signed into law on March 25. This new law makes it illegal for nursing homes that withdraw from Medicaid to expel their Medicaid-enrolled residents. In addition, I am working with others to pass the \$309 million nursing home quality enforcement proposal outlined in the President's budget for Fiscal Year 2000.

Retirement Security Act of 1999:

Today, more than half of the workforce does not have any private pension coverage. This is an alarming fact especially in this era when people are being encouraged to set up retirement plans, and is part of the reason I have co-sponsored the Retirement Security Act. This initiative will increase saving for retirement by making it easier for small businesses to start private pension plans for their employees by providing a tax credit to cover the costs of setting up pension plans. This bill will also encourage pension portability, shorten the vesting period for employees who have 401(k) plans, ease rollovers between 401(k) and other similar plans, and strengthen pension security by establishing greater safeguards to prevent corporations from raiding their employees' pension plans.

Older Americans Act:

The Older Americans Act is vital to senior citizens as it authorizes funding to provide important services such as transportation for health care, elder abuse protections, meals on wheels, legal assistance, and adult day care and counseling. These resources not only protect the well-being of senior citizens, but provide the support necessary to allow you to maintain your active role in our region and communities. The Older Americans Act was first passed in 1964 and has been renewed several times since then. Unfortunately, some members of the House leadership have stalled the renewal of this act since 1995. I have become an original cosponsor of a bill to reauthorize this act, and will continue to advocate that passage of the Older Americans Act should be a top priority of this Congress.

Prescription Drug Fairness for Seniors

Studies around the country have shown that many older Americans pay high prices for prescription drugs and many have a difficult time paying for the drugs they need. It appears that drug companies may be engaged in a form of “discriminatory” pricing that victimizes those who are least able to afford it. Senior citizens and others who buy their own prescription drugs are forced to often pay at least twice as much as are the drug manufacturers’ most favored customers such as the federal government and large HMO’s.

Recently, district office staff coordinated with the congressional Government Reform committee to conduct a study of prescription drug prices for senior citizens right here in the 18th Congressional district. This study found there is an unusually large price differential — more than five times greater than the average price differential for other consumer goods. In the 18th district, the average price differential was 113% meaning that people in this area paying for their own prescriptions are paying more than twice as much as the drug companies’ favored customers.

This price discrimination can have devastating effects. As a result of these inflated prices, some senior citizens have been forced to choose between paying for the medications they need or buying other necessities. By one nationwide estimate, more than one in eight older Americans has been forced at one time or another to choose between buying food and buying medicine. This situation should not continue.

I am working with my colleagues in Congress to address this important issue. One option being reviewed is to restore the prescription drug benefit to the basic Medicare coverage package. Since drug prices are the fastest rising element of health care spending, it seems to make no sense to continue to saddle senior citizens with this burden. In addition, proposals are being reviewed that would extend the current Veterans’ Administration price schedule for prescription drugs to Medicare beneficiaries. Veterans already receive a special buy-in-bulk “government rate” on their prescription drug purchases, and it may be possible to offer a similar benefit to all Medicare enrollees.

One way or the other this problem must be addressed so senior citizens are able to obtain the medication they need when they need it. If you are interested in receiving a copy of the complete 18th district study on the costs of prescription drugs, please contact one of my offices to request one.



Rep. Doyle speaks with senior citizens in the 18th District about the legislative agenda.

Doyle Cosponsors Bill To Protect Senior Citizens From Scam Artists

Every day millions of senior citizens receive sweepstakes announcements that contain intentionally misleading statements. As a result of these misleading statements, a significant number of senior citizens are lured into purchasing items that they may not want or need, and they spend considerable amounts of their savings in order to collect erroneous "promised" winnings.

The sweepstakes industry's practice of targeting vulnerable consumers with misleading marketing techniques is no coincidence. In fact, during a recent Congressional hearing Michael Pashby, executive vice president of the Magazine Publishers Association, revealed during his testimony that such practices bring in one-third of all new subscriptions. Misleading marketing techniques must be reigned in if they are to be used for legitimate direct mail promotions in order to prevent them from continuing to be used as a vehicle for potential fraud.

I have cosponsored and am working to pass consumer protection legislation that addresses unscrupulous sweepstakes practices. This legislation, *The Honesty in Sweepstakes Act*, H.R. 170, has two key labeling and disclosure provisions: **1) The face of the envelope must state — *This is a sweepstakes. You have not automatically won.*** **2) The top of the first page must disclose the chances of winning and state that no purchase is necessary to win a prize. For cashiers check replicas, the face of the check must state — *This is not a check. This has no cash value.***

I am also involved in a more comprehensive effort, which would enable law enforcement officials to increase their efforts against criminals who target senior citizens through various schemes. To give you an idea of how pervasive this problem is, consider this — it is estimated that Americans lose \$40 billion annually just to telemarketing fraud.

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200 Lebanon Avenue Pittsburgh, PA 15228 p: (412) 343-4001 (open 1 pm - 8 pm Wed)	Boyd Community Center 1220 Powers Run Road O'Hara, PA 15215 (open 1st and 3rd Friday of the month; 9 am - 12 pm)

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Official Business

Mike Doyle

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